

TICABOO SPECIAL SERVICE DISTRICT NO 1

PUBLIC HEARING

MAY 29, 2008

Attending Board members: Norman Schwab, Toby Wright, Scott Schierman

Invited Presenters: Ryan Jolley (Jones & DeMille Engineering)

Employee's: Steve Morrill (Uranium One Utah – Shootaring Canyon Mill supervisor)

Other: LaMiya Morrill (independent contractor asked to take minutes)

Public in attendance: Shane Brown, Linda Turner, Steve Turner, Don Foutz, Jared Pearson, Richard Huefner, Debbie Randolph, Tom Hill, Roger Randolph, Kerry Mystrom, Faye Dencklau, T. Petruney, Fred Robinson, Dave Fall, Pat Fall, Jay Fellers, Kim M Bean, Dave Ainoroso, Sue Booker, Bob Booker, Eric Houston, Chuck Birrenbach, Sharon Seamons, Kevin Havey, Jeff Welker, Dave Largent

Meeting brought to order at 6:40 p.m.

Toby Wright brought the meeting to order and explained that this meeting was being held to seek public input on the improvements needed to the capitol facilities as well as the grants and loans needed to fund these improvements. A power point presentation was given by Toby Wright. Following is a synopsis of this presentation.

The Ticaboo Special Service District No 1 (hereafter referred to as TSSD) is governed by a board that was appointed by the Garfield County Commissioners. Garfield County owns the infrastructure of the TSSD.

Harold Roberts from Denison Mines is also a member of the TSSD board. He resides in Denver.

The TSSD has identified with the help of Jones and DeMille Engineering the areas that need to be corrected immediately. These are:

- Culinary water supply – EPA testing is required
Fire suppression infrastructure needs increased pressure
- Waste water -
Lagoons need to be redone (They are on BLM Right of Way)

The TSSD is also in control of the roads but does not have input on the power (electricity) or the Sheriff's department. The Electricity is owned by a separate and private organization.

A Special Improvement District has more authority and could be set up to run in parallel with the TSSD if necessary.

The TSSD needs to ensure that the existing demands for service are met and will be met in the future.

There have been conversations with the State of Utah. The state can acquire lands from the BLM that can be added to the Ticaboo town site. This land could be of potential use for commercial building.

TSSD with Jones and DeMille Engineering have completed a Capitol Facilities Plan. This plan is required for the estimated growth in the Ticaboo area. The Capitol Facilities Plan has prioritized needs within the TSSD. The items that are critical and need to be addressed in the short term are

- Planning – This is the Capitol Facilities Plan which needs to be completed.
- Waste water – The lagoons have fallen apart. At this time they will not meet the specifications required by law. The TSSD has been assured that they will not be issued a violation as long as they are making active progress toward solving the problem.
- Waste water – The lagoons will need to be expanded to meet the estimated demand in the future.
- Culinary – The culinary system need to be upgraded. A new line will be added to the system. This line will connect the main line by the motel with the line at the end of the trailer park. This line will complete the loop so that the existing system will not have dead ends. The loop will also increase the pressure in the commercial district to meet fire codes.
- Pump Station – a pump station is needed when the second well is brought on line. This station would be located by the boat storage. The station will help to pump the water to the tanks. Ryan Jolley informed all present that 120 connections require the addition of the pump station.
- Put the second well on line. A new pump will need to be installed in this well. The well location is by boat storage. The water rights associated with this well are in danger of lapsing. It is necessary to prove that the well and therefore the water rights are being put to the use designated in the water rights.

Other areas of concern (that are not under the control of TSSD) are Parks & Recreation, Fire Fighting Dept, Law enforcement, and Schools. Both Garfield County and Kane County School Districts have been approached about the estimated growth. The estimated capacity capability of the Lake Powell School is approximately 200 students. Both school districts are working together and have informed the TSSD that they have the capability to handle the growth at the existing school located in Bullfrog. They have modular units that can be moved to the school for additional classroom space. Garfield county school district would at this time prefer to bus their students to this Kane county facility.

The focus of the TSSD needs to be kept on the immediate needs. Grant money, especially CIB money needs to be applied for. (An explanation of CIB was given)

To apply for the CIB grant in this year many things had to happen.

- A Master Plan was completed (Jones & DeMille Engineering)
- Garfield County had to reopen the list to allow TSSD to add their projects
- The Five county organization and the State of Utah had to approve the reopening of this list
- A public hearing of the TSSD had to be held (this meeting)

The CIB grant has a deadline of June 1, 2008. All of these items will be completed with this meeting. The CIB grants would allow the TSSD to keep the rates lower than they would be if a loan had to be obtained for the total costs.

Rates

Currently the water and sewer are billed at a flat rate of \$35.00 per month. Electricity, as mentioned before, is a separate entity. The state has a guideline to determine what utility rates for water and sewer should be. Using this guideline the rates in the TSSD for water and sewer should be \$69.00 per month. Ryan Jolley of Jones & DeMille Engineering has analyzed the current cost of providing water to each connection. Based on 280 connections the cost to provide water is \$62.06 per connection. With the current connections, and figuring the motel, store, and restaurant as 95 connections, Ticaboo would need to have 80 more connections to reach the 280 connections. Therefore at this time it is costing approximately 85.00 per connection to provide water. Another item to consider on the rates is that TSSD has not paid for any of the electricity. The cost per hour for the fuel to produce the electricity is 33.8 cents for a kilowatt. Tom Hill wanted to know if this cost was included in the Capitol Facilities Plan and in the cost of \$62.06 per connection. Ryan Jolley said that it had not been included. Other costs that were not included in this cost are the operating and maintenance costs, and the upgrade and cleaning costs. Therefore this figure is low. On a state level the rate of \$69.00 per connection is average.

At this time Reams Construction has been contracted to provide personnel for TSSD. John Mills does the daily checks and maintenance that are needed for the TSSD. Reams Construction were contracted because TSSD did not have the infrastructure to maintain its own personnel. They are running a “bare bones” operation to keep the TSSD operating.

The money that is needed to upgrade the culinary and waste water systems is 2.8 Million dollars.

The rates that will be charged will depend on what amount the TSSD can get in grants and what part will be loans. The following table gives several scenarios of rates with different grant and loan amounts.

Grant and/or Loan percentage	Interest on loan amount	Estimated Rate per connection
0% grant – 100% loan (worst case)	0%	\$104.80
0% grant – 100% loan	2.5%	\$115.41
0% grant – 100% loan	6%	\$132.69
50% grant – 50% loan	0%	\$86.05
50% grant – 50% loan	2.5%	\$91.36
95% grant – 5% loan (best case)	0%	\$69.14

Rates will be evaluated before and after the grant process.

The timeline for the CIB grant process is as follows:

- June 1 – Application deadline